

IN THE UNITED STATES BANKRUPTCY COURT  
FOR THE WESTERN DISTRICT OF PENNSYLVANIA

IN RE:	)
	) Bankruptcy No. 19-23101-CMB
SHANNON STALEY & SONS LLC	)
	) Chapter 11
Debtor.	) Related to Document No.
_____	)
	) Hearing Date:
UNITED STATES OF AMERICA,	)
INTERNAL REVENUE SERVICE,	)
	)
Movant,	)
	)
v.	)
	)
SHANNON STALEY & SONS LLC	)
	)
Respondent.	)

**UNITED STATES' MOTION TO DISMISS CASE**

The United States of America, on behalf of the Internal Revenue Service (the "IRS"), by and through its attorneys, SCOTT W. BRADY, United States Attorney, and Jill Locnikar, Assistant United States Attorney, moves to dismiss this case, and in support of its Motion, states as follows:

1. Shannon Staley & Sons LLC ("Debtor") filed a voluntary petition for relief under Chapter 11 of the United States Bankruptcy Code (the "Bankruptcy Code") on August 6, 2019.

2. Debtor has not complied with its pre or post-petition tax obligations. Specifically, Debtor has not filed its Form 941 for the following pre-petition periods: 6/30/2016, 9/30/2016, 12/31/2016, 3/30/2017, and 6/30/2017 and has not filed its Form 940 for 12/31/2016. In addition, Debtor has not filed its post-petition Form 941 for 9/30/2019 and has not made any federal tax deposits on its Form 941 for the period ending 9/30/2019 and 12/31/2019 (no deposits made since filing the bankruptcy petition).

3. On its last filed return for 3/31/2019, Debtor owed \$137,126.23. Since no federal tax deposits have been made on the third and fourth quarter of 2019, Debtor likely will owe substantial amounts when those returns are filed. Debtor's monthly financial reports show that there is a payroll; thus, Debtor should be filing its returns and paying these employee withholding taxes.

4. Pursuant to section 1112(b) of the Bankruptcy Code, the Court shall dismiss a case on request of a party in interest if the movant establishes cause. Section 1112(b)(4) states that "cause" includes the "failure timely to pay taxes owed after the date of the order for relief or to file tax returns due after the date of the order for relief." See 11 U.S.C. § 1112(b)(4)(I).

5. Local Rule 2015-1(c)(3) further requires that a chapter 11 debtor keep current and pay when due all federal taxes arising during the pendency of the bankruptcy case. W.PA.LBR 2015 -1(c)(3).

6. Consequently, for the above stated reasons, the United States submits that this case should be dismissed.

WHEREFORE, the United States respectfully requests that this Honorable Court dismiss this case and grant such further or other relief as the Court deems appropriate.

Respectfully submitted,

SCOTT W. BRADY  
United States Attorney

Dated: 12/19/2019

*/s/ Jill Locnikar*  
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SHANNON STALEY & SONS LLC	)
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**CERTIFICATE OF SERVICE**

I certify that a true and correct copy of the above-captioned Motion to Dismiss Case, along with the Notice of Hearing with Response Deadline, was served on the following by first-class mail or electronic means on December 19, 2019.

**Service by Electronic Notification:**

Robert O. Lampl  
Benedum Trees Building  
223 Fourth Avenue, 4<sup>th</sup> Floor  
Pittsburgh, PA 15222  
[rol@lampllaw.com](mailto:rol@lampllaw.com)

U.S. Trustee Office  
Liberty Center  
1001 Liberty Avenue, Suite 970  
Pittsburgh, PA 15222

**Debtors:**

Shannon Staley & Sons LLC  
304 E. Main Street  
Carnegie, PA 15106

SCOTT W. BRADY  
United States Attorney

/s/ Jill Locnikar  
JILL LOCNIKAR  
Assistant United States Attorney